

## OFFICERS

## OTHERS

## DIRECTORS OR TRUSTEES

William Alvin  
Ronald Berry CPA

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)  
 Ronald Berry  
 (Printed Name)  
 3.  
 Treasurer  
 (Title)

Yes[X] No[ ]

(Notary Public Signature)

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1.	Bonds .....	1,025,834		1,025,834	1,026,834
2.	Stocks:				
2.1	Preferred stocks .....				
2.2	Common stocks .....				
3.	Mortgage loans on real estate:				
3.1	First liens .....				
3.2	Other than first liens .....				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2	Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3	Properties held for sale (less \$.....0 encumbrances) .....				
5.	Cash (\$.....12,088,816), cash equivalents (\$.....0) and short-term investments (\$.....58,528,250) .....	70,617,066		70,617,066	60,453,527
6.	Contract loans (including \$.....0 premium notes) .....				
7.	Derivatives .....				
8.	Other invested assets .....				
9.	Receivables for securities .....				
10.	Securities lending reinvested collateral assets .....				
11.	Aggregate write-ins for invested assets .....				
12.	Subtotals, cash and invested assets (Lines 1 to 11) .....	71,642,900		71,642,900	61,480,361
13.	Title plants less \$.....0 charged off (for Title insurers only) .....				
14.	Investment income due and accrued .....	1,902		1,902	3,032
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection .....	50,000		50,000	1,101,898
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums) .....				
15.3	Accrued retrospective premiums .....				
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers .....	457,603		457,603	365,167
16.2	Funds held by or deposited with reinsured companies .....				
16.3	Other amounts receivable under reinsurance contracts .....				
17.	Amounts receivable relating to uninsured plans .....				
18.1	Current federal and foreign income tax recoverable and interest thereon .....	1,932,312		1,932,312	751,945
18.2	Net deferred tax asset .....	2,711,326	1,860,352	850,975	850,975
19.	Guaranty funds receivable or on deposit .....				
20.	Electronic data processing equipment and software .....	370,027	370,027		
21.	Furniture and equipment, including health care delivery assets (\$.....0) .....	146,530	146,530		
22.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
23.	Receivables from parent, subsidiaries and affiliates .....				
24.	Health care (\$.....2,007,570) and other amounts receivable .....	2,763,035		2,763,035	2,143,951
25.	Aggregate write-ins for other than invested assets .....	507,807	507,807		
26.	TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	80,583,443	2,884,716	77,698,727	66,697,328
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28.	TOTAL (Lines 26 and 27) .....	80,583,443	2,884,716	77,698,727	66,697,328
DETAILS OF WRITE-INS					
1101.	.....				
1102.	.....				
1103.	.....				
1198.	Summary of remaining write-ins for Line 11 from overflow page .....				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....				
2501.	Prepaid Assets .....	507,807	507,807		
2502.	.....				
2503.	.....				
2598.	Summary of remaining write-ins for Line 25 from overflow page .....				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	507,807	507,807		

**LIABILITIES, CAPITAL AND SURPLUS**

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded) .....	35,238,673		35,238,673	31,669,847
2.	Accrued medical incentive pool and bonus amounts .....	732,426		732,426	1,056,313
3.	Unpaid claims adjustment expenses .....	919,335		919,335	917,403
4.	Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act .....				
5.	Aggregate life policy reserves .....				
6.	Property/casualty unearned premium reserve .....				
7.	Aggregate health claim reserves .....				
8.	Premiums received in advance .....				
9.	General expenses due or accrued .....	2,141,291		2,141,291	2,362,748
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)) .....				
10.2	Net deferred tax liability .....				
11.	Ceded reinsurance premiums payable .....				
12.	Amounts withheld or retained for the account of others .....				
13.	Remittances and items not allocated .....				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....				
15.	Amounts due to parent, subsidiaries and affiliates .....	110,821		110,821	978,098
16.	Derivatives .....				
17.	Payable for securities .....				
18.	Payable for securities lending .....				
19.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers) .....				
20.	Reinsurance in unauthorized and certified (\$.....0) companies .....				
21.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
22.	Liability for amounts held under uninsured plans .....				
23.	Aggregate write-ins for other liabilities (including \$.....0 current) .....	7,694,624		7,694,624	2,890,502
24.	Total liabilities (Lines 1 to 23) .....	46,837,170		46,837,170	39,874,911
25.	Aggregate write-ins for special surplus funds .....	X X X	X X X		
26.	Common capital stock .....	X X X	X X X	186,230	186,230
27.	Preferred capital stock .....	X X X	X X X		
28.	Gross paid in and contributed surplus .....	X X X	X X X	33,770	33,770
29.	Surplus notes .....	X X X	X X X		
30.	Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
31.	Unassigned funds (surplus) .....	X X X	X X X	30,641,557	26,602,417
32.	Less treasury stock, at cost:				
32.1	.....0 shares common (value included in Line 26 \$.....0) .....	X X X	X X X		
32.2	.....0 shares preferred (value included in Line 27 \$.....0) .....	X X X	X X X		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32) .....	X X X	X X X	30,861,557	26,822,417
34.	Total Liabilities, capital and surplus (Lines 24 and 33) .....	X X X	X X X	77,698,727	66,697,328
DETAILS OF WRITE-INS					
2301.	Contingent Liability - State Tax Refund .....	7,694,624		7,694,624	2,890,502
2302.	.....				
2303.	.....				
2398.	Summary of remaining write-ins for Line 23 from overflow page .....				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	7,694,624		7,694,624	2,890,502
2501.	.....	X X X	X X X		
2502.	.....	X X X	X X X		
2503.	.....	X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page .....	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	X X X	X X X		
3001.	.....	X X X	X X X		
3002.	.....	X X X	X X X		
3003.	.....	X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page .....	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above) .....	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months .....	X X X .....	483,772	463,375	945,228
2.	Net premium income (including \$.....0 non-health premium income) .....	X X X .....	147,899,367	134,793,910	275,142,049
3.	Change in unearned premium reserves and reserves for rate credits .....	X X X .....			
4.	Fee-for-service (net of \$.....0 medical expenses) .....	X X X .....			
5.	Risk revenue .....	X X X .....			
6.	Aggregate write-ins for other health care related revenues .....	X X X .....	(268,706)	(330,157)	(644,741)
7.	Aggregate write-ins for other non-health revenues .....	X X X .....			
8.	Total revenues (Lines 2 to 7) .....	X X X .....	147,630,661	134,463,753	274,497,308
Hospital and Medical:					
9.	Hospital/medical benefits .....		94,261,491	80,114,384	168,933,050
10.	Other professional services .....		8,562,033	7,600,206	15,749,933
11.	Outside referrals .....		2,004,249	944,195	2,088,728
12.	Emergency room and out-of-area .....		8,944,115	7,987,932	16,534,784
13.	Prescription drugs .....		16,146,174	16,955,540	33,303,716
14.	Aggregate write-ins for other hospital and medical .....				
15.	Incentive pool, withhold adjustments and bonus amounts .....		1,544,000	1,969,500	4,174,500
16.	Subtotal (Lines 9 to 15) .....		131,462,062	115,571,757	240,784,711
Less:					
17.	Net reinsurance recoveries .....		92,436	130,000	392,359
18.	Total hospital and medical (Lines 16 minus 17) .....		131,369,626	115,441,757	240,392,352
19.	Non-health claims (net) .....				
20.	Claims adjustment expenses, including \$.....1,009,306 cost containment expenses .....		2,242,903	2,016,801	3,311,601
21.	General administrative expenses .....		7,612,048	10,633,023	17,388,122
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....				
23.	Total underwriting deductions (Lines 18 through 22) .....		141,224,577	128,091,581	261,092,074
24.	Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X .....	6,406,084	6,372,172	13,405,234
25.	Net investment income earned .....		17,568	4,036	19,070
26.	Net realized capital gains (losses) less capital gains tax of \$.....0 .....				
27.	Net investment gains or (losses) (Lines 25 plus 26) .....		17,568	4,036	19,070
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] .....				
29.	Aggregate write-ins for other income or expenses .....				
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	X X X .....	6,423,652	6,376,208	13,424,304
31.	Federal and foreign income taxes incurred .....	X X X .....	2,344,633	2,231,600	6,319,962
32.	Net income (loss) (Lines 30 minus 31) .....	X X X .....	4,079,019	4,144,608	7,104,342
DETAILS OF WRITE-INS					
0601.	Revenue-Other .....	X X X .....	165,135	97,915	206,641
0602.	Management Fee Income .....	X X X .....	235,000	210,000	470,000
0603.	Child & Adolescent Health Center Fee .....	X X X .....	(668,841)	(638,073)	(1,333,599)
0698.	Summary of remaining write-ins for Line 6 from overflow page .....	X X X .....			12,217
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X .....	(268,706)	(330,157)	(644,741)
0701.	.....	X X X .....			
0702.	.....	X X X .....			
0703.	.....	X X X .....			
0798.	Summary of remaining write-ins for Line 7 from overflow page .....	X X X .....			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	X X X .....			
1401.	.....				
1402.	Unpaid Claims Adjustment Expense .....				
1403.	.....				
1498.	Summary of remaining write-ins for Line 14 from overflow page .....				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....				
2901.	.....				
2902.	Extraordinary Item - Claim Settlement .....				
2903.	.....				
2998.	Summary of remaining write-ins for Line 29 from overflow page .....				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....				

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>				
33.	Capital and surplus prior reporting year .....	26,822,417	19,087,867	19,087,867
34.	Net income or (loss) from Line 32 .....	4,079,019	4,144,608	7,104,342
35.	Change in valuation basis of aggregate policy and claim reserves .....			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 .....			
37.	Change in net unrealized foreign exchange capital gain or (loss) .....			
38.	Change in net deferred income tax .....			1,634,326
39.	Change in nonadmitted assets .....	(39,879)	105,564	(1,004,119)
40.	Change in unauthorized and certified reinsurance .....			
41.	Change in treasury stock .....			
42.	Change in surplus notes .....			
43.	Cumulative effect of changes in accounting principles .....			
44.	Capital Changes:			
44.1	Paid in .....			
44.2	Transferred from surplus (Stock Dividend) .....			
44.3	Transferred to surplus .....			
45.	Surplus adjustments:			
45.1	Paid in .....			
45.2	Transferred to capital (Stock Dividend) .....			
45.3	Transferred from capital .....			
46.	Dividends to stockholders .....			
47.	Aggregate write-ins for gains or (losses) in surplus .....			
48.	Net change in capital and surplus (Lines 34 to 47) .....	4,039,141	4,250,172	7,734,550
49.	Capital and surplus end of reporting period (Line 33 plus 48) .....	30,861,557	23,338,039	26,822,417
<b>DETAILS OF WRITE-INS</b>				
4701.	.....	.....	.....	.....
4702.	.....	.....	.....	.....
4703.	.....	.....	.....	.....
4798.	Summary of remaining write-ins for Line 47 from overflow page .....	.....	.....	.....
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....	.....	.....	.....

CASH FLOW

		1	2	3
		Current	Prior	Prior
		Year	Year	Year Ended
		To Date	To Date	December 31
Cash from Operations				
1.	Premiums collected net of reinsurance .....	148,951,265	135,344,966	275,340,151
2.	Net investment income .....	19,698	6,194	20,095
3.	Miscellaneous income .....	(268,706)	(330,157)	(644,741)
4.	TOTAL (Lines 1 to 3) .....	148,702,257	135,021,002	274,715,505
5.	Benefit and loss related payments .....	128,217,124	112,717,864	236,119,673
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	10,710,603	12,356,838	19,776,818
8.	Dividends paid to policyholders .....			
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....	3,525,000	1,925,579	6,808,348
10.	TOTAL (Lines 5 through 9) .....	142,452,726	127,000,282	262,704,838
11.	Net cash from operations (Line 4 minus Line 10) .....	6,249,531	8,020,720	12,010,667
Cash from Investments				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds .....			1,025,000
12.2	Stocks .....			
12.3	Mortgage loans .....			
12.4	Real estate .....			
12.5	Other invested assets .....			
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....			
12.7	Miscellaneous proceeds .....			
12.8	TOTAL investment proceeds (Lines 12.1 to 12.7) .....			1,025,000
13.	Cost of investments acquired (long-term only):			
13.1	Bonds .....			1,027,255
13.2	Stocks .....			
13.3	Mortgage loans .....			
13.4	Real estate .....			
13.5	Other invested assets .....			
13.6	Miscellaneous applications .....			
13.7	TOTAL investments acquired (Lines 13.1 to 13.6) .....			1,027,255
14.	Net increase (or decrease) in contract loans and premium notes .....			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....			(2,255)
Cash from Financing and Miscellaneous Sources				
16.	Cash provided (applied):			
16.1	Surplus notes, capital notes .....			
16.2	Capital and paid in surplus, less treasury stock .....			
16.3	Borrowed funds .....			
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....			
16.5	Dividends to stockholders .....			
16.6	Other cash provided (applied) .....	3,914,009	(48,906)	1,639,176
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6) .....	3,914,009	(48,906)	1,639,176
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS				
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	10,163,539	7,971,814	13,647,587
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year .....	60,453,527	46,805,940	46,805,940
19.2	End of period (Line 18 plus Line 19.1) .....	70,617,066	54,777,754	60,453,527

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001				
---------	--	--	--	--

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1  Total	Comprehensive (Hospital & Medical)		4  Medicare Supplement	5  Vision Only	6  Dental Only	7  Federal Employees Health Benefit Plan	8  Title XVIII Medicare	9  Title XIX Medicaid	10  Other
		2  Individual	3  Group							
Total Members at end of:										
1. Prior Year .....	82,326	754						635	80,937	
2. First Quarter .....	80,531	744						688	79,099	
3. Second Quarter .....	79,687	798						713	78,176	
4. Third Quarter .....										
5. Current Year .....										
6. Current Year Member Months .....	483,772	4,611						4,107	475,054	
Total Member Ambulatory Encounters for Period:										
7. Physician .....	224,192	1,213						4,638	218,341	
8. Non-Physician .....	156,577	414						3,062	153,101	
9. Total .....	380,769	1,627						7,700	371,442	
10. Hospital Patient Days Incurred .....	15,884	4						561	15,319	
11. Number of Inpatient Admissions .....	3,859	2						101	3,756	
12. Health Premiums Written (a) .....	148,302,763	367,780						4,577,844	143,357,140	
13. Life Premiums Direct .....										
14. Property/Casualty Premiums Written .....										
15. Health Premiums Earned .....	148,302,763	367,780						4,577,844	143,357,140	
16. Property/Casualty Premiums Earned .....										
17. Amount Paid for Provision of Health Care Services .....	129,017,973	239,979						3,993,633	124,784,362	
18. Amount Incurred for Provision of Health Care Services .....	131,369,626	238,486						4,006,992	127,124,148	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....4,577,844.

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

Aging Analysis of Unpaid Claims						
1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
Individually Listed Claims Unpaid						
PBM, HRA, GME & SNAF .....	12,323,731					12,323,731
0199999 Individually Listed Claims Unpaid .....	12,323,731					12,323,731
0499999 Subtotals .....	12,323,731					12,323,731
0599999 Unreported claims and other claim reserves .....						22,914,941
0799999 Total Claims Unpaid .....						35,238,673
0899999 Accrued Medical Incentive Pool And Bonus Amounts .....						732,426



**UNDERWRITING AND INVESTMENT EXHIBIT**

**ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE**

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5  Claims Incurred in Prior Years (Columns 1+3)	6  Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
		1	2	3	4		
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical) .....	39,220	200,758	21,735	72,741	60,955	95,968
2.	Medicare Supplement .....						
3.	Dental only .....						
4.	Vision only .....						
5.	Federal Employees Health Benefits Plan .....						
6.	Title XVIII - Medicare .....	1,092,647	2,891,539	139,499	1,126,453	1,232,146	1,247,146
7.	Title XIX - Medicaid .....	26,000,829	97,232,663	1,921,021	31,957,224	27,921,850	31,220,019
8.	Other health .....						
9.	Health subtotal (Lines 1 to 8) .....	27,132,696	100,324,960	2,082,255	33,156,418	29,214,951	32,563,133
10.	Healthcare receivables (a) .....		307,570				
11.	Other non-health .....						
12.	Medical incentive pools and bonus amounts .....	926,359	941,528		732,426	926,359	1,056,313
13.	Totals (Lines 9 - 10 + 11 + 12) .....	28,059,055	100,958,918	2,082,255	33,888,844	30,141,310	33,619,446

(a) Excludes \$.00 loans or advances to providers not yet expensed.

Notes to Financial Statement

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of Midwest Health Plan, Inc. (Plan) have been prepared in accordance with the NAIC *Accounting Practices and Procedures Manual (NAPPM)* and the NAIC Annual Statement Instructions (NASI) to the extent that these accounting practices, procedures and reporting standards are not modified by accounting practices prescribed or permitted by the State of Michigan Office of Financial and Insurance Regulation (OFIR).

OFIR recognizes only statutory accounting practices prescribed or permitted by the State of Michigan for determining the financial condition and results of operation of an insurance company. The *NAPPM* has been adopted as a component of prescribed or permitted practices by OFIR.

A reconciliation of the Plan's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Michigan is shown below:

NET INCOME	State of Domicile	2013	2012
(1) MHP State Basis (Page 4, Line 32, Columns 2 & 3)	Michigan	\$4,079,019	\$7,104,342
(2) State Prescribed Practices that increase/(decrease) NAIC SAP: NONE	Michigan		
(3) State Permitted Practices that increase/(decrease) NAIC SAP: NONE	Michigan		
(4) NAIC SAP (1-2-3=4)	Michigan	<u>\$4,079,019</u>	<u>\$7,104,342</u>
SURPLUS			
(5) MHP State Basis (Page 3, Line 33, Columns 3&4)	Michigan	\$30,861,557	\$26,822,417
(6) State Prescribed Practices that increase/(decrease) NAIC SAP: NONE	Michigan		
(7) State Permitted Practices that increase/(decrease) NAIC SAP: NONE	Michigan		
(8) NAIC SAP (5-6-7=8)	Michigan	<u>\$30,861,557</u>	<u>\$26,822,417</u>

Financial statements prepared on the statutory basis vary in some respects from those prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), and in some cases, those differences may be material. The significant accounting principles, as outlined above, were followed in the preparation of the statutory basis financial statements. Had the financial statements been prepared in accordance with the accounting principles generally accepted in the United States of America, the following differences would have been noted:

- Certain assets are "non-admitted" and are charged against surplus, such as prepaid expenses, electronic data processing equipment and software, furniture and deferred tax assets.
- Purchase Price Accounting (Goodwill and Other Intangibles) Assets, amortization and associated Deferred Taxes are recorded on the acquired company's GAAP financial statements. Our parent corporation, HAP, has accounted for its investment in the Plan in accordance with Statement of Statutory Accounting Principles (SSAP) No 68, *Business Combinations and Goodwill*.
- Deferred income taxes are admitted in accordance with Statement of Statutory Accounting Principle (SSAP) No. 101, Income Taxes, a Replacement of SSAP No. 10R and SSAP No. 10 effective January 1, 2012. Changes in deferred income taxes are credited or charged directly to unassigned surplus as opposed to income tax expense.
- The classification of items included in the Statements of Cash Flows - statutory basis differs from GAAP.
- The disclosures required by the statutory basis differ from GAAP.

B. Use of Estimates

No Change

C. Accounting Policy

No Change

2. Accounting Change and Correction of Errors

Not Applicable

3. Business Combination and Goodwill

Not Applicable

4. Discontinued Operations

Not Applicable

# Notes to Financial Statement

**5. Investments**

- A. Mortgage Loans* – Not applicable
- B. Debt Restructuring* – Not applicable
- C. Reverse Mortgages* – Not applicable
- D. Loan-Backed Securities*– Not applicable
- E. Repurchase Agreements* – Not applicable
- F. Real Estate* – Not applicable
- G. Investment in Low-Income Housing Tax Credits* – Not applicable

**6. Joint Ventures, Partnerships and Limited Liability Companies**

Not applicable.

**7. Investment Income**

The Plan had no excluded investment income.

**8. Derivative Instruments**

The Plan had no derivative instruments.

**9. Income Taxes**

No Change in the Admitted and Non-Admitted Deferred Tax Asset  
\$2,344,633 is the estimated Federal Income Tax for the six months ended June 30, 2013.

**10. Information Concerning Parent, Subsidiaries and Affiliates**

No Change

**11. Debt**

Not applicable.

**12. Employee Benefit Plan**

- A. Defined Benefit Plan* – Not applicable
- B. Defined Contribution Plan* – No Change
- C. Multiemployer Plans* – Not applicable
- D. Consolidated/Holding Company Plans*– Not applicable
- E. Post-employment Benefits and Compensated Absences* – Not applicable
- F. Impact of Medicare Modernization Act on Postretirement Benefits* – Not applicable

**13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**

No Change

**14. Commitments and Contingencies**

No Change

**15. Leases**

No Change

**16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk.**

Not applicable.

**17. Sales, Transfer and Servicing of Financial Assets and Extinguishment of Liabilities**

Not applicable.

**18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans.**

Not applicable.

**19. Direct Premium Written/Produced by Managing General Third Agents/Third Party Administrators**

**Notes to Financial Statement**

Not applicable.

**20. Fair Value Measurements**

**A.**

(1) Fair Value Measurements at Reporting Date

Description	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at Fair Value				
Bonds:				
U.S. Governments				
Industrial and Misc.	58,528,250			58,528,250
Total Bonds	\$58,528,250			\$58,528,250
Total Assets at Fair Value				
b. Liabilities at Fair Value	\$0			\$0
Total Liabilities at Fair Value	\$0			\$0

(2) The Plan has no fair value measurements categorized within Level 3 of the fair value hierarchy.

(3) The Plan had no transfers between levels.

**B.** Fair value information and information about other similar measurements disclosed under other accounting pronouncements combined with disclosures under SSAP No. 100, Fair Value Measurements – Not applicable.

**C.** Aggregate fair values of all financial instruments and applicable levels within the fair value hierarchy

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets/ Liabilities	(Level 1)	(Level 2)	(Level 3)	Not Practicable Carrying Value
Bonds	59,553,886	59,554,084	59,553,886			
Common Stock						
Derivative Assets						
Derivative Liabilities						

**D.** Financial instruments or classes of financial instruments for which fair value measurements are not determinable - NOT APPLICABLE.

**21. Other Items**

Not applicable.

**22. Events Subsequent**

Not applicable

**23. Reinsurance**

No Change

**24. Retrospectively Rated Contracts and Contracts Subject to Redetermination.**

Not applicable

**25. Change in Incurred Claims and Claims Adjustment Expenses**

Reserves as of June 30, 2013 were \$35,238,673. As of June 30, 2013, \$27,132,696 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$2,082,255 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$1,860,000 favorable prior-

# Notes to Financial Statement

year development since December 31, 2012 to June 30, 2013. The increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual.

**26. Intercompany Pooling Arrangements**

Not applicable

**27. Structured Settlements**

Not applicable

**28. Health Care Receivables - Admitted**

No Change

**29. Participating Policies**

Not applicable

**30. Premium Deficiency Reserves**

Not applicable

**31. Anticipated Salvage and Subrogation**

Not applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[ ] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[ ] No[ ] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[ ] No[X]
- 2.2 If yes, date of change:
- 3.1 Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes[ ] No[X]
- 3.2 If the response to 3.1 is yes, provide a brief description of those changes:
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[ ] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? If yes, attach an explanation.

Yes[ ] No[ ] N/A[X]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2010
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2010
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

06/26/2012
- 6.4 By what department or departments?
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[X] No[ ] N/A[ ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[X] No[ ] N/A[ ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[ ] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
		Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?  
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
(c) Compliance with applicable governmental laws, rules and regulations;  
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
(e) Accountability for adherence to the code.

Yes[X] No[ ]
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[ ] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[ ] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[ ] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$ 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[ ] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$ 0
13. Amount of real estate and mortgages held in short-term investments:

\$ 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[ ] No[X]
- 14.2 If yes, please complete the following:

**GENERAL INTERROGATORIES (Continued)**

		1	2
		Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21	Bonds .....		
14.22	Preferred Stock .....		
14.23	Common Stock .....		
14.24	Short-Term Investments .....		
14.25	Mortgages Loans on Real Estate .....		
14.26	All Other .....		
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....		
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above .....		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement.

Yes[ ] No[X]  
Yes[ ] No[ ] N/A[X]

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

16.2 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

16.3 Total payable for securities lending reported on the liability page

\$ ..... 0  
\$ ..... 0  
\$ ..... 0

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[X] No[ ]

1	2
Name of Custodian(s)	Custodian Address
Comerica Bank .....	411 W Lafayette, Detroit, MI 48226 .....

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
.....	.....	.....

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

17.4 If yes, give full and complete information relating thereto:

Yes[ ] No[X]

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
.....	.....	.....	.....

17.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address
Not applicable .....	Brian Gamble .....	Detroit Michigan .....

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

18.2 If no, list exceptions:

Yes[X] No[ ]

**GENERAL INTERROGATORIES**

**PART 2 - HEALTH**

1. Operating Percentages:	
1.1 A&H loss percent	88.824%
1.2 A&H cost containment percent	0.682%
1.3 A&H expense percent excluding cost containment expenses	7.566%
2.1 Do you act as a custodian for health savings accounts?	Yes[ ] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[ ] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0



**SCHEDULE S - CEDED REINSURANCE**  
**Showing All New Reinsurance Treaties - Current Year to Date**

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
<b>Accident and Health - Non-affiliates</b>						
93572 .....	43-1235868 .....	..... 01/01/2013 .....	RGA REINS CO .....	MO .....	..... SSL/L/I .....	..... Yes[X] No[ ] .....

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**  
**Current Year to Date - Allocated by States and Territories**

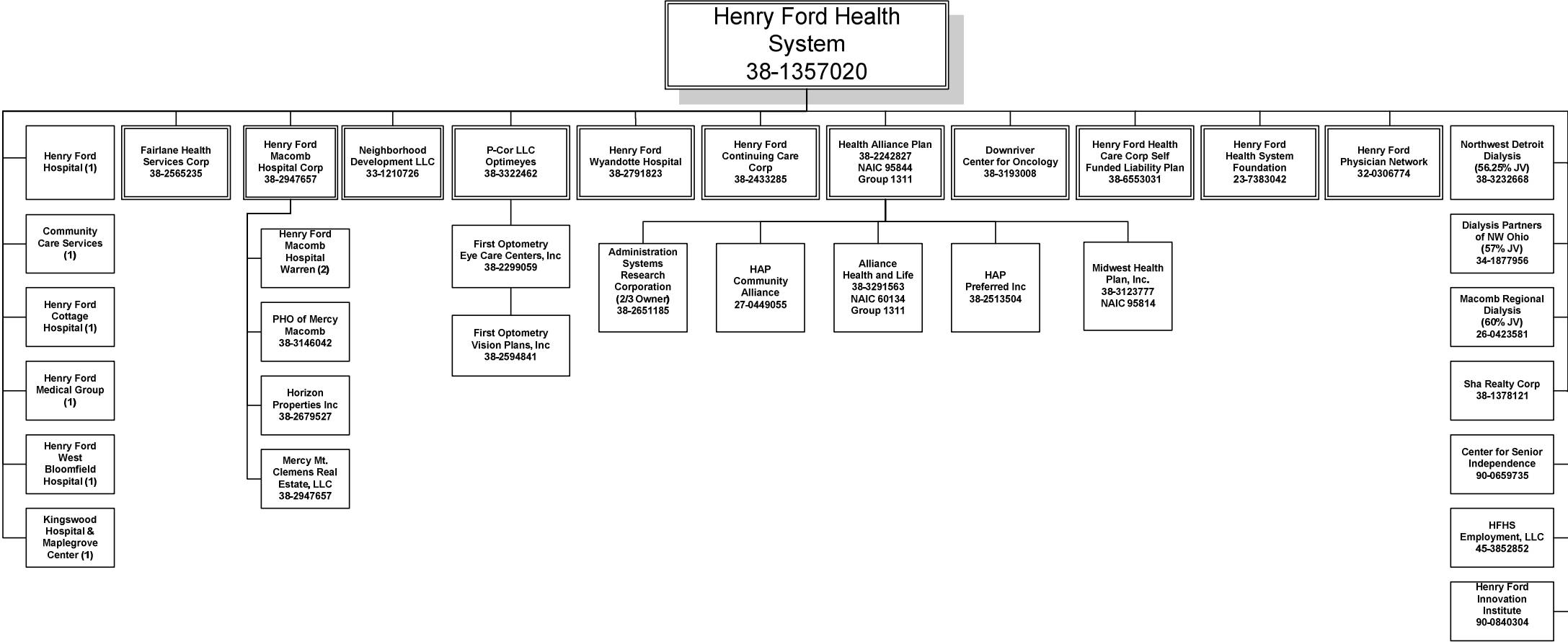
		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL) .....	N								
2.	Alaska (AK) .....	N								
3.	Arizona (AZ) .....	N								
4.	Arkansas (AR) .....	N								
5.	California (CA) .....	N								
6.	Colorado (CO) .....	N								
7.	Connecticut (CT) .....	N								
8.	Delaware (DE) .....	N								
9.	District of Columbia (DC) .....	N								
10.	Florida (FL) .....	N								
11.	Georgia (GA) .....	N								
12.	Hawaii (HI) .....	N								
13.	Idaho (ID) .....	N								
14.	Illinois (IL) .....	N								
15.	Indiana (IN) .....	N								
16.	Iowa (IA) .....	N								
17.	Kansas (KS) .....	N								
18.	Kentucky (KY) .....	N								
19.	Louisiana (LA) .....	N								
20.	Maine (ME) .....	N								
21.	Maryland (MD) .....	N								
22.	Massachusetts (MA) .....	N								
23.	Michigan (MI) .....	L	367,780	4,577,844	143,357,140				148,302,763	
24.	Minnesota (MN) .....	N								
25.	Mississippi (MS) .....	N								
26.	Missouri (MO) .....	N								
27.	Montana (MT) .....	N								
28.	Nebraska (NE) .....	N								
29.	Nevada (NV) .....	N								
30.	New Hampshire (NH) .....	N								
31.	New Jersey (NJ) .....	N								
32.	New Mexico (NM) .....	N								
33.	New York (NY) .....	N								
34.	North Carolina (NC) .....	N								
35.	North Dakota (ND) .....	N								
36.	Ohio (OH) .....	N								
37.	Oklahoma (OK) .....	N								
38.	Oregon (OR) .....	N								
39.	Pennsylvania (PA) .....	N								
40.	Rhode Island (RI) .....	N								
41.	South Carolina (SC) .....	N								
42.	South Dakota (SD) .....	N								
43.	Tennessee (TN) .....	N								
44.	Texas (TX) .....	N								
45.	Utah (UT) .....	N								
46.	Vermont (VT) .....	N								
47.	Virginia (VA) .....	N								
48.	Washington (WA) .....	N								
49.	West Virginia (WV) .....	N								
50.	Wisconsin (WI) .....	N								
51.	Wyoming (WY) .....	N								
52.	American Samoa (AS) .....	N								
53.	Guam (GU) .....	N								
54.	Puerto Rico (PR) .....	N								
55.	U.S. Virgin Islands (VI) .....	N								
56.	Northern Mariana Islands (MP) .....	N								
57.	Canada (CAN) .....	N								
58.	Aggregate other alien (OT) .....	X X X								
59.	Subtotal .....	X X X	367,780	4,577,844	143,357,140				148,302,763	
60.	Reporting entity contributions for Employee Benefit Plans .....	X X X								
61.	Total (Direct Business) .....	(a)..... 1	367,780	4,577,844	143,357,140				148,302,763	
DETAILS OF WRITE-INS										
5801.	.....	X X X								
5802.	.....	X X X								
5803.	.....	X X X								
5898.	Summary of remaining write-ins for Line 58 from overflow page .....	X X X								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above) .....	X X X								

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER**  
**MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**

Henry Ford Health System



**Legend:**

- (1) Represents a business unit under Henry Ford Health System's Tax ID #
- (2) Represents a business unit under Henry Ford Macomb Hospital Corp.

**SCHEDULE Y**  
**PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

916

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
1311	Henry Ford Health System Group	95814	38-3123777				Midwest Health Plan, Inc	MI		Health Alliance Plan of Michigan	Ownership	100.0	Henry Ford Health System	
1311	Henry Ford Health System Group	95844	382242827				Health Alliance Plan of Michigan	MI	UDP	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	382513504				HAP Preferred Inc		NIA	Health Alliance Plan of Michigan	Ownership	100.0	Henry Ford Health System	
1311	Henry Ford Health System Group	60134	38-3291563				Alliance Health and Life Insurance Company	MI	IA	Health Alliance Plan of Michigan	Ownership	100.0	Henry Ford Health System	
		00000	38-2651185				Administration System Research Group		NIA	Health Alliance Plan of Michigan	Ownership	66.7	Henry Ford Health System	
		00000	270449055				HAP Community Alliance		NIA	Health Alliance Plan of Michigan	Ownership	100.0	Henry Ford Health System	
		00000	38-1357020				Henry Ford Health System		UIP				Henry Ford Health System	
		00000	38-2791823				Henry Ford Wyandotte		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	38-2594841				First Optometry Vision Plans, Inc		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	38-2947657				Henry Ford Macomb Hospital		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	38-3146042				PHO of Mercy Macomb		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	38-2679527				Horizon Properties Inc		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	38-2947657				Mercy Mt. Clemens Real Estate, LLC		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	38-2565235				Fairlane Health Services Corp		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	33-1210726				Neighborhood Development LLC		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	38-2433285				Henry Ford Continuing Care Corp		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	38-6553031				Henry Ford Health Care Corp		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	23-7383042				Self Funded Liability Plan		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	32-0306774				Henry Ford Health System Foundation		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	38-3232668				Henry Ford Physician Network		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	34-1877956				Northwest Detroit Dialysis		NIA	Henry Ford Health System	Ownership	56.3	Henry Ford Health System	
		00000	26-0423581				Dialysis Partners of NW Ohio		NIA	Henry Ford Health System	Ownership	57.0	Henry Ford Health System	
		00000	38-1378121				Macomb Regional Dialysis		NIA	Henry Ford Health System	Ownership	60.0	Henry Ford Health System	
		00000	90-0659735				Sha Realty Corp		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	26-3896897				Center for Senior Independence		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	38-3193008				Henry Ford West Bloomfield Downriver Center for		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	38-3322462				Oncology		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	38-2299059				P Cor, LLC		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	45-3852852				First Optometry Eye Care Centers, Inc		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
		00000	90-0840304				Henry Ford Health System Employment , LLC		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	
							Henry Ford Innovation Institute		NIA	Henry Ford Health System	Ownership	100.0	Henry Ford Health System	

Asterisk	Explanation
0000001	.....

**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

RESPONSE
No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



OVERFLOW PAGE FOR WRITE-INS

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1	2	3	4
	Uncovered	Total	Total	Total
0604. Class Action Settlement Proceeds .....	X X X .....	.....	.....	..... 12,217
0697. Summary of remaining write-ins for Line 6 (Lines 0604 through 0696) .....	X X X .....	.....	.....	..... 12,217

STATEMENT AS OF **June 30, 2013** OF THE **Midwest Health Plan, Inc.**

SCHEDULE A - VERIFICATION

Real Estate		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired .....		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Current year change in encumbrances .....		
4. Total gain (loss) on disposals .....		
5. Deduct amounts received on disposals .....		
6. Total foreign exchange change in book/adjusted carrying value .....		
7. Deduct current year's other than temporary impairment recognized .....		
8. Deduct current year's depreciation .....		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8 ) .....		
10. Deduct total nonadmitted amounts .....		
11. Statement value at end of current period (Line 9 minus Line 10) .....		

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....		
2. Cost of acquired: .....		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and mortgage interest points .....		
9. Total foreign exchange change in book value/recorded investment .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) .....		
12. Total valuation allowance .....		
13. Subtotal (Line 11 plus Line 12) .....		
14. Deduct total nonadmitted amounts .....		
15. Statement value at end of current period (Line 13 minus Line 14) .....		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired: .....		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and depreciation .....		
9. Total foreign exchange change in book/adjusted carrying value .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) .....		
12. Deduct total nonadmitted amounts .....		
13. Statement value at end of current period (Line 11 minus Line 12) .....		

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	1,026,834	1,027,024
2. Cost of bonds and stocks acquired .....		1,027,255
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration for bonds and stocks disposed of .....		1,025,000
7. Deduct amortization of premium .....	1,000	2,446
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	1,025,834	1,026,834
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....	1,025,834	1,026,834



**SCHEDULE D - PART 1B**  
**Showing the Acquisitions, Dispositions and Non-Trading Activity**  
**During the Current Quarter for all Bonds and Preferred Stock by Rating Class**

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a) .....	51,045,828	8,508,756		(500)	51,045,828	59,554,084		46,037,661
2. Class 2 (a) .....								
3. Class 3 (a) .....								
4. Class 4 (a) .....								
5. Class 5 (a) .....								
6. Class 6 (a) .....								
7. Total Bonds .....	51,045,828	8,508,756		(500)	51,045,828	59,554,084		46,037,661
<b>PREFERRED STOCK</b>								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds & Preferred Stock .....	51,045,828	8,508,756		(500)	51,045,828	59,554,084		46,037,661

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

**SCHEDULE DA - PART 1**

**Short - Term Investments**

	1 Book/Adjusted Carrying Value	2  Par Value	3  Actual Cost	4  Interest Collected Year To Date	5  Paid for Accrued Interest Year To Date
9199999. Totals .....	58,528,250	X X X	58,528,250	17,423	

**SCHEDULE DA - Verification**

**Short-Term Investments**

		1  Year To Date	2  Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....	45,010,827	
2.	Cost of short-term investments acquired .....	13,517,423	45,010,827
3.	Accrual of discount .....		
4.	Unrealized valuation increase (decrease) .....		
5.	Total gain (loss) on disposals .....		
6.	Deduct consideration received on disposals .....		
7.	Deduct amortization of premium .....		
8.	Total foreign exchange change in book/adjusted carrying value .....		
9.	Deduct current year's other than temporary impairment recognized ....		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	58,528,250	45,010,827
11.	Deduct total nonadmitted amounts .....		
12.	Statement value at end of current period (Line 10 minus Line 11) .....	58,528,250	45,010,827

<b>SI04</b>	<b>Schedule DB - Part A Verification</b>	<b>NONE</b>
-------------	--	-------------

<b>SI04</b>	<b>Schedule DB - Part B Verification .....</b>	<b>NONE</b>
-------------	--	-------------

<b>SI05</b>	<b>Schedule DB Part C Section 1 .....</b>	<b>NONE</b>
-------------	---	-------------

<b>SI06</b>	<b>Schedule DB Part C Section 2</b>	<b>NONE</b>
-------------	-------------------------------------	-------------

<b>SI07</b>	<b>Schedule DB - Verification</b> .....	<b>NONE</b>
-------------	---	-------------

**SI08    Schedule E - Verification (Cash Equivalents) ..... NONE**

E01	Schedule A Part 2 .....	NONE
E01	Schedule A Part 3 .....	NONE
E02	Schedule B Part 2 .....	NONE
E02	Schedule B Part 3 .....	NONE
E03	Schedule BA Part 2 .....	NONE
E03	Schedule BA Part 3 .....	NONE
E04	Schedule D Part 3 .....	NONE
E05	Schedule D Part 4 .....	NONE
E06	Schedule DB Part A Section 1 .....	NONE
E07	Schedule DB Part B Section 1 .....	NONE
E08	Schedule DB Part D Section 1 .....	NONE
E09	Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity .....	NONE
E09	Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity .....	NONE
E10	Schedule DL - Part 1 - Securities Lending Collateral Assets .....	NONE
E11	Schedule DL - Part 2 - Securities Lending Collateral Assets .....	NONE

**SCHEDULE E - PART 1 - CASH**

**Month End Depository Balances**

1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	
Depository			Code	Rate of Interest			First Month	Second Month	Third Month	*
<b>open depositories</b>										
Bank of America, N.A. ....	Checking .....						... 13,293,015	... 16,908,547	... 11,151,487	X X X
Bank of America, N.A. ....	Payroll Account .....						... 189,421	... 117,006	... 108,461	X X X
Comerica Bank .....	Checking .....			0.022	483		... 828,555	... 828,718	... 828,867	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories .			X X X	... X X X ..						X X X
0199999 Totals - Open Depositories .....			X X X	... X X X ..	483		... 14,310,991	... 17,854,271	... 12,088,816	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories .....			X X X	... X X X ..						X X X
0299999 Totals - Suspended Depositories .....			X X X	... X X X ..						X X X
0399999 Total Cash On Deposit .....			X X X	... X X X ..	483		... 14,310,991	... 17,854,271	... 12,088,816	X X X
0499999 Cash in Company's Office .....			X X X	... X X X ..	X X X	... X X X ..				X X X
0599999 Total Cash .....			X X X	... X X X ..	483		... 14,310,991	... 17,854,271	... 12,088,816	X X X

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<div>NONE</div>							
8699999 Total - Cash Equivalents .....					.....	.....	.....

**INDEX TO HEALTH  
QUARTERLY STATEMENT**

Accounting Changes and Corrections of Errors; Q10, Note 2; Q11

Accounting Practices and Policies; Q5; Q10, Note 1

Admitted Assets; Q2

Bonds; Q2; Q6; Q11.1; Q11.2; QE04; QE05

Bonuses; Q3; Q4; Q8; Q9

Borrowed Funds; Q3; Q6

Business Combinations and Goodwill; Q10, Note 3

Capital Gains (Losses)

    Realized; Q4

    Unrealized; Q4; Q5

Capital Stock; Q3; Q10, Note 13

Capital Notes; Q6; Q10, Note 11

Caps; QE06; QSI04

Cash; Q2; Q6; QE12

Cash Equivalents; Q2; Q6; QE13

Claims; Q3; Q4; Q8; Q9

Collars; QE06; QSI04

Commissions; Q6

Common Stock; Q2; Q3; Q6; Q11.1; Q11.2

Cost Containment Expenses; Q4

Contingencies; Q10, Note 14

Counterparty Exposure; Q10, Note 8; QE06; QE08

Debt; Q10, Note 11

Deferred Compensation; Q10, Note 12

Derivative Instruments; Q10, Note 8; QSI04; QSI05; QSI06; QSI07; QE06; QE07; QE08

Discontinued Operations; Q10, Note 4

Electronic Data Processing Equipment; Q2

Encumbrances; Q2; QSI01; QE01

Emergency Room; Q4

Expenses; Q3; Q4; Q6

Extinguishment of Liabilities; Q10, Note 17

Extraordinary Item; Q10, Note 21

Fair Value; Q7, Note 20

Fee for Service; Q4

Foreign Exchange; Q2; Q3; Q5; QSI01; QSI03; QE01; QE02; QE03; QE05

Forwards; QE06; QSI04

Furniture, Equipment and Supplies; Q2

Guaranty Fund; Q2

Health Care Receivables; Q2; Q9; Q10, Note 28

Holding Company; Q16

Hospital/Medical Benefits; Q4

Incentive Pools; Q3; Q4; Q8; Q9

Income; Q4; Q5; Q6

Income Taxes; Q2; Q3; Q4; Q5; Q10, Note 9

Incurred Claims and Claim Adjustment Expenses; Q10, Note 25

Intercompany Pooling; Q10, Note 26

Investment Income; Q10, Note 7

    Accrued; Q2

    Earned; Q2; QSI03

    Received; Q6

Investments; Q10, Note 5; Q11.1; Q11.2; QE08

Joint Venture; Q10, Note 6

Leases; Q10, Note 15

Limited Liability Company (LLC); Q10, Note 6

Limited Partnership; Q10, Note 6

Long-Term Invested Assets; Q2; QE03

Managing General Agents; Q10, Note 19

Medicare Part D Coverage; QSupp1

Member Months; Q4; Q7

Mortgage Loans; Q2; Q6; Q11.1; QSI01; QE02

Nonadmitted Assets; Q2; Q5; QSI01; QSI03

Off-Balance Sheet Risk; Q10, Note 16

Options; QE06; QSI04

Organizational Chart; Q11; Q14

Out-of-Area; Q4

Outside Referrals; Q4

Parent, Subsidiaries and Affiliates; Q2; Q3; Q10, Note 10; Q11.1

Participating Policies; Q10, Note 29

Pharmaceutical Rebates; Q10, Note 28

Policyholder Dividends; Q5; Q6

Postemployment Benefits; Q10, Note 12

Postretirement Benefits; Q10, Note 12

Preferred Stock; Q2; Q3; Q6; Q11.1; Q11.2

**INDEX TO HEALTH  
QUARTERLY STATEMENT**

Premium Deficiency Reserves; Q10, Note 30

Premiums and Considerations

    Advance; Q3

    Collected; Q6

    Deferred; Q2

    Direct; Q7; Q13

    Earned; Q7

    Retrospective; Q2

    Uncollected; Q2

    Unearned; Q4

    Written; Q4; Q7

Prescription Drugs; Q4

Quasi Reorganizations; Q10, Note 13

Real Estate; Q2; Q6; QE01; QSI01

Redetermination, Contracts Subject to; Q10, Note 24

Reinsurance; Q9; Q10, Note 23

    Ceded; Q3; Q12

    Funds Held; Q2

    Payable; Q3

    Premiums; Q3

    Receivable; Q2; Q4

    Unauthorized; Q3; Q5

Reserves

    Accident and Health; Q3; Q4

    Claim; Q3; Q5; Q8

    Life; Q3

Retirement Plans; Q10, Note 12

Retrospectively Rated Policies; Q10, Note 24

Risk Revenue; Q4

Salvage and Subrogation; Q10, Note 31

Securities Lending; Q2; Q3; QE09; QE11

Servicing of Financial Assets; Q10, Note 17

Short-Term Investments; Q2; Q6; Q11.1; QSI03

Stockholder Dividends; Q5; Q6

Subsequent Events; Q10, Note 22

Surplus; Q3; Q5; Q6

Surplus Notes; Q3; Q5; Q6

Swaps; QE07; QSI04

Synthetic Assets; QSI04; QSI05

Third Party Administrator; Q10, Note 19

Treasury Stock; Q3; Q5

Uninsured Accident and Health; Q2; Q3; Q10, Note 18

Valuation Allowance; QSI01

Wash Sales; Q10, Note 17

Withholds; Q4; Q8